



Federal transit funding welcomed by alliance of construction labour and management

Feb. 10, 2021, Vaughan, Ont. – The [Residential and Civil Construction Alliance of Ontario \(RCCAO\)](#) applauds the federal government’s announcement of \$14.9 billion for public transit projects over the next eight years.

“This is certainly a step in the right direction as municipalities need permanent and long-term funding to support the expansion of the public transit systems that Ontarians rely on,” says RCCAO interim executive director Nadia Todorova. “We are looking forward to learning more about the mechanics of the funding and how it would impact municipalities that are facing immediate fiscal challenges.”

RCCAO has advocated for consistent and predictable investments in infrastructure. Today’s announcement provides a sustainable investment pathway for municipalities that will help them address transit expansion and transit needs, especially those caused by COVID-19.

There is still a critical need for a Safe Restart Agreement 2.0 or other funding mechanism to help municipalities deal with deficits for 2021. It is critical that adequate funding, or at least assurance of such funding, flows early this year or municipalities will face the prospect of having to delay or cancel state-of-good-repair projects to balance their 2021 budgets. This would have disastrous effects on the construction industry and provincial economy.

A report commissioned by RCCAO from Prism Economics and Analysis, titled [Averting a Crisis: The Need to Protect Ontario’s Infrastructure Investments](#), found that 41,000 construction-related jobs are at risk in the province if permits continue to decline at the present rate. Tenders for infrastructure projects have decreased significantly since last summer and hundreds of construction workers have already been laid off.

“Municipalities are still in desperate need of funding to deal with significant deficits in 2021,” says RCCAO board chair Peter Smith. “It is essential that the federal government once again work in partnership with the province and come up with a Safe Restart Agreement 2.0 to further help municipalities. The research shows that failure to act will have devastating consequences. Time is of the essence.”

[Click here](#) to view the Prism report.

[Click here](#) to view a video on the Prism report.

Background on RCCAO: The Residential and Civil Construction Alliance of Ontario (RCCAO) is a labour-management construction alliance. For 15 years, RCCAO has been a leading industry advocate for infrastructure investment. It has commissioned 58 independent, solutions-based research reports to help inform decision makers. Follow us on Twitter [@ RCCAO](#) and [LinkedIn](#).

For more information:

Grant Cameron
Senior Director of Public Affairs
RCCAO
905-638-1706
media@rccao.com